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MEMORANDUM RECEIVED

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Docket Control Center

2007 NOV -2 P 12: 12

FROM:

Ernest G. Johnson
Director

Utilities Division

AZ CORP COMMISSION DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

NOV 0 2 2007

DATE:

November 2, 2007

DOCKETED BY

RE:

SANTA ROSA WATER COMPANY - REQUEST FOR EXTENSION OF

COMPLIANCE DEADLINES (DOCKET NOS. W-04137A-05-0286 AND

SW-04136A-05-0287)

History

In Decision No. 68243, dated October 25, 2005, the Arizona Corporation Commission ('A.C.C." or "Commission") approved the application of Santa Rosa Water Company ("Santa Rosa" or "Company") for an extension of its Certificate of Convenience and Necessity ("CC&N") to provide water service in Pinal County, Arizona.

Amongst other requirements in Decision No. 68243, the Company was ordered to file the following from the Arizona Department of Water Resources ("ADWR"):

"Santa Rosa Water Company shall file with Docket Control a copy of the developer's first Certificates of Assured Water Supply for the extension area..."

Therefore, based on the October 25, 2005 date of the decision, the original due date for the Certificate of Assured Water Supply ("CAWS") was October 25, 2006.

On August 29, 2007, Santa Rosa docketed a request for extension of time to file the CAWS. The Company application outlined that a May 11, 2006 procedural order had extended the time to file the CAWS to October 25, 2007. The application also provides the following information detailing the process of obtaining the CAWS:

"An application for a CAWS in the extension area was submitted by the developer to ADWR on July 18, 2007. The initial well that will serve the property must be converted to a non-exempt well, and the service area right must be established before the CAWS can be issued. Both of these applications are being processed in the Pinal AMA. The CAWS application must also be processed. The staff at ADWR believes the CAWS will not be issued until after the October 25, 2007 deadline."

Based on the above, the Company requests an extension of time from October 25, 2007 to April 25, 2007, for provision of the ADWR CAWS.

Docket Control Center November 2, 2007 Page 2

Finally, on October 9, 2007, the Company docketed a letter from the developer reiterating the need for service from the Company and supporting the request for extension on the CAWS.

Staff Review

The Company statement that the ADWR CAWS process is ongoing is correct and has been verified. Staff contacted ADWR to confirm if Santa Rosa had an application for a CAWS pending at ADWR. Staff was able to locate the Licensing Timeframe Report ("LTF Report"), a public report on the ADWR website, which provides information on the status of pending applications before the agency. This report shows that the developer, Tousa Homes, Inc., filed an application with ADWR on July 20, 2007. The application is currently in the administrative completeness stage, is pending a second review stage and remains an ongoing case application. The discussion with ADWR also confirmed Santa Rosa's statement that the service area right must be approved (by the Pinal Active Management Area section of ADWR) prior to the processing of the Santa Rosa CAWS application. In general, ADWR indicated that Tousa Homes, Inc. has a current application which the Company is actively supporting.

Additionally, there is still a need for service, as evidenced by the October 9, 2007 letter from Ryley Carlock & Applewhite, attorneys for Tousa Homes, Inc.

Staff Recommendation

Based on the application and all of the above, Staff does not object to the Company request that the due date for the CAWS be extended from October 25, 2007 to April 25, 2008.

EGJ:BKB:lhm

Originator: Brian K. Bozzo

Attachment

SERVICE LIST FOR: DOCKET NOS.

SANTA ROSA WATER COMPANY W-04137A-05-0286 AND SW-04136A-05-0287

Mr. Jim Poulos 9532 East Riggs Road Sun Lakes, Arizona 85248

Richard L. Sallquist Sallquist, Drummond & O'Connor 4500 South Lakeshore Drive, Suite 339 Tempe, Arizona 85282

Mr. Ernest G. Johnson Director, Utilities Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Mr. Christopher C. Kempley Chief Counsel, Legal Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Ms. Lyn Farmer Chief Administrative Law Judge Hearing Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

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Santa Rosa Water Company ECEIVED 9532 E. Riggs Road Sun Lakes, AZ 85248 2001 AUG 29 A 9 20

AZ CORP COMMISSION DOCKET CONTROL

August 28, 2007

Docket Control Arizona Corporation Commission 1200 West Washington Phoenix, AZ 85007

Re: Docket Nos. W-04137A-05-0286 and Decision No. 68243

Dear Docket Control:

Santa Rosa Water Company (SRWC) was granted an extension to its water Certificate of Convenience and Necessity (CC&N) on October 25, 2005, pursuant to Decision No. 68243. This extension to the CC&N was conditioned upon SWRC filing with Docket Control a copy of the developer's first Certificate of Assured Water Supply (CAWS) for the extension area within 365 days of the effective date of the decision.

Pursuant to a procedural order dated May 11, 2006, the time to file the CAWS was extended until October 25, 2007.

An application for a CAWS in the extension area was submitted by the developer to ADWR on July 18, 2007. The initial well that will serve the property must be converted to a non-exempt well, and the service area right must be established before the CAWS can be issued. Both of these applications are being processed in the Pinal AMA. The CAWS application must also be processed. The staff at ADWR believes the CAWS will not be issued until after the October 25, 2007 deadline.

As a result, SRWC requests a 6-month extension of time, until April 25, 2008, to submit the developer's initial CAWS in the CC&N extension area, to give the Pinal AMA and ADWR enough time to process and issue the CAWS.

An original and 15 copies submitted.

Sincerely,

Jim Poulos

Arizona Corporation Commission DOCKETED

AUG 29 2007

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